



## DID YOU KNOW?

An HSA is a fully liquid account. You can withdraw funds at any time to pay for eligible health expenses (including dental and vision) for anyone in your household, even if they're not on your medical plan.

Your HSA is designed to keep your healthcare stable and manageable. It's an easy way of planning for the unexpected, a safety net for a significant unexpected medical bill.

Covenant Benefits is now offering a Covenant Value Plan that is an HSA eligible plan.

## A WIN-WIN-WIN FOR YOUR TAXES.

**Your contributions are tax deductible.** Any funds you put in to your HSA are tax deductible to the annual limit set by the IRS. Plus, your earnings are tax exempt.

**Your money grows tax-deferred.** You don't pay taxes on the interest or earnings on the funds in your HSA.

**Your withdrawals are tax free.** As long as you use them for eligible expenses, even if you're retired. So if you use the funds in your HSA for qualified medical, vision, or dental bills you don't owe any tax on that money. At all. Ever.

**Employer contributions are tax free** to the employer and employee.

## ALWAYS THERE.

Unlike a Flex Spending Account (FSA), an HSA is not a use it or lose it account. Any money left in your HSA at the end of the year is yours to use year after year after year. You can decide when to save and when to spend the funds in your HSA, as long as you keep a minimum balance of \$10.

## TRAVELS WITH YOU.

Because you own all the money in your HSA, it stays with you when you change jobs, change insurance plans, or retire.

**MAX CONTRIBUTIONS FOR 2024:**  
\$4,150 per year **for an individual**  
\$8,300 per year **for a family**  
And an extra \$1,000 **if you're over age 55**

## HOW TO OPEN AN HSA WITH NCP

1. Contact NCP at [ncp@nationalcovenantproperties.org](mailto:ncp@nationalcovenantproperties.org) or 800.366.6273 to request an application packet
  - a. Forms include: HSA Application, ID Verification Form and an Offering Circular (if you are not currently an investor with NCP)
  - b. The HSA Application and ID Verification form must be printed and signed, but can be returned digitally
2. Return completed forms to NCP
3. NCP is happy to coordinate employer contributions to employee-owned HSAs. These can be made via check or ACH.
  - Please note, the max contribution limits include both employer and employee contributions

*The offer and sale of the Certificates is limited to persons who, prior to receipt of our Offering Circular, were members of, contributors to, participants in, or affiliates of The Evangelical Covenant Church, including any program, activity, or organization that constitutes a part of The Evangelical Covenant Church, or any of its conferences, or any congregation of The Evangelical Covenant Church, or other persons who are ancestors, descendants, or successors in interest to such persons (Investors). There shall not be any sale of the Certificates in any state in which such offer, solicitation, or sale is not authorized. The offering is made solely by the Offering Circular. The offering of Certificates involves certain risks, which are more fully disclosed in the Offering Circular under the heading "Risk Factors." In the event NCP exercises its right to redeem a Certificate prior to maturity and upon sixty (60) days notice to the holder thereof, payment of the outstanding principal and interest will be paid to the holder to the date of redemption. The Variable Rate Certificates, Demand Investment Accounts, Individual Retirement Account (IRA) Certificates, and Health Savings Account (HSA) Certificates are not available for sale to investors residing in South Carolina. The Variable Rate Certificates and Demand Investment Accounts are not available for sale to investors residing in Louisiana. NCP's Certificates are not insured by any governmental agency or private insurance company, including the Federal Deposit Insurance Corporation, or any state bank, insurance fund, or any other governmental agency.*

# If you don't have an HSA and qualify for one, you might be missing out.

## Eligibility

To be eligible to have an HSA, you must be covered under an HSA-compatible high deductible health plan (HDHP). An HDHP generally requires that you pay for out of pocket medical expenses incurred (excluding certain preventative care expenses) until your deductible is met. Plan coverage kicks in after that.

Covenant Benefits is now offering an HSA-compatible health plan.

## HSA-Compatible HDHP Amounts\*

	Year	Self-only coverage	Family coverage
Minimum annual deductible	2023	\$1,500	\$3,000
	2024	\$1,600	\$3,200
Maximum out-of-pocket	2023	\$7,500	\$15,000
	2024	\$8,050	\$16,100

NOTE: *Self-only coverage covers only an individual. Family coverage covers an individual and a spouse and/or one or more dependents.*

In addition to being covered under an HSA-compatible HDHP, you

- cannot be covered by a non-HDHP (with limited exceptions),
- cannot be enrolled in Medicare, and
- cannot be eligible to be claimed as a dependent on another person's tax return.

HSA eligibility is determined as of the first day of each month.

## Contributions

If you're eligible to contribute to an HSA for the entire year, you can contribute up to the annual statutory limit for the type of HDHP coverage you have (self-only or family). If you're age 55 or older, you can make an additional "catch up" contribution of up to \$1,000. If you are not eligible the entire year, you can still contribute the maximum contribution amount if you remain HSA eligible for a 13-month "testing period." If you do not remain HSA eligible during the testing period, then the annual limit is prorated to the number of months that you are eligible.

## HSA Contribution Limits\*

Year	Self-only coverage	If age 55 or older	Family Coverage	If age 55 or older
2023	\$3,850	\$4,850	\$7,750	\$8,750
2024	\$4,150	\$5,150	\$8,300	\$9,300

If both you and your spouse have family coverage and are HSA-eligible, one annual family contribution limit applies to both of you and may be split between your HSAs in any way you choose. For example, for 2024, you could contribute \$4,150 to your HSA and your spouse could contribute \$4,150 to his HSA, for a total of \$8,300, the 2024 family contribution limit. Note that if both you and your spouse are each eligible for a catch-up contribution, the catch-up amounts cannot be combined into one HSA.

Contributions can be made in any amount throughout the year until your tax return due date (generally April 15) for that year, not to exceed your annual limit. Any contributions made on your behalf by your employer or anyone else are included in your one annual limit.

As long as you cannot be claimed as a dependent on another person's tax return, you can deduct HSA contributions made by yourself and your spouse (not those made by your employer).

## Distributions

You will not have to pay income tax or penalty tax on the money withdrawn from your HSA for qualified medical expenses. Qualified medical expenses generally include most medical, dental, and vision care expenses not covered by insurance that are incurred by you, your spouse, or your dependents after your HSA is opened. IRS Publication 502, Medical and Dental Expenses, contains a partial list of qualified medical expenses.

HSA distributions that are not used for qualified medical expenses are subject to ordinary income tax and, if taken before age 65, a 20 percent penalty tax (unless the HSA assets are distributed after you become disabled or die).

You may want to visit with a competent tax advisor before making HSA contributions or taking HSA distributions.

## For More Information

We'd be happy to answer your HSA questions.

\*Subject to annual cost-of-living adjustments.